

PROGRAM VI: COMMUNITY ANTENNA TELEVISION

Statutory authority

Communications Act of 1934, as amended, sections 1, 2(a), 4(i), 303(b), 303(f), 303(r) and 307(b).

Nature of program and benefits

The program is designed to bring about an orderly integration of CATV into the broadcast television structure. The need for regulation arose as follows:

As long as CATV systems served areas where viewers were unable to receive satisfactory signals from TV stations, they presented few problems. Now, however, CATV systems have expanded into areas where TV reception is satisfactory. This may result in situations in which the local station is faced with new competitive pressures. A television station transmits only on one channel, while a CATV system can provide its subscribers with a choice of network and local services on up to 12 channels. In some areas, CATV operators brought new signals into established TV markets resulting in complaints to the Commission. TV station operators charged that some CATV systems were not carrying local signals and that other systems duplicated programming of the local TV station on other channels so that viewers no longer tuned to their local stations. These factors threatened the continued effective operation of local TV stations.

In essence, the rules adopted by the Commission in March, 1966 regulate and limit CATV in three major respects: (1) "Compulsory carriage" rules require CATV to carry the signals of local and nearby TV stations if requested; (2) "Exclusivity" rules provide that a TV station with a stronger signal over the CATV community may prevent the system from carrying on the same day those programs of another station with a weaker signal which duplicate its programs; and (3) "top 100 market" rules provide that in the markets so designated CATV systems may not, without Commission authorization after hearing, carry the signals of a TV station unless that station places a signal of at least grade B strength over the community serviced by the CATV system. All of these rules are subject to petitions for waiver. Additionally, special provisions in the rules permit stations to ask for special relief over and above the ordinary requirements.

Since the adoption of the rules more than 300 petitions to waive top 100 market hearing requirements and more than 550 petitions for special relief have been received. These include such things as requests to waive carriage and exclusivity requirements, requests to initiate enforcement proceedings against noncomplying systems, petitions to impose longer periods of program exclusivity, etc.

In September, 1966 the Commission by recruitment from its established offices and bureaus created a CATV task force. This group advises and makes recommendations to the Commission with respect to the pending backlog of conflicts and with respect to the development of a regulatory program for community antenna television systems and related private and common carrier microwave radio facilities.

In connection with the processing of individual requests for waiver or other special relief, the Commission has disposed of 106 top 100 market petitions for waiver and 263 petitions for special relief. Flowing from this activity there are now 51 separate hearing proceedings going on in the Commission. In the ever continuing development of a regulatory program, the Commission has initiated rule makings and inquiries to look into such questions as: Whether educational television signals should be exempt from the top 100 market rules (docket 17597); to determine whether the top 100 market rules should be modified to permit carriage of UHF signals from markets whose VHF signals must be carried (docket 17438); to find out whether CATV development has reached a point where its ownership might be considered incompatible with other types of communications ownership (docket 17371); and an inquiry sent to CATV operators and to TV broadcasters in an effort to determine the effectiveness and practical difficulties in existing carriage and program exclusivity rules.

Name of the official having direct operational responsibility over the program: Sol Schildhouse, chief, CATV task force.

Mr. SCHILDHOUSE. The Commission's program in community antenna television is to try to introduce in an orderly fashion this new phenomenon into the existing structure of television broadcasting. The Commission has a program of restricting entry into the big markets